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Matador Production Company

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Dana R. Arnold Staff Attorney

May 9, 2016

New Mexico Oil Conservation Division Attn: David Catanach 1220 South St. Francis Drive Santa Fe, New Mexico 87505 David. Catanach@state.nm.us

Re: **Itemized Schedule of Estimated Costs** Case No. 15480 **Order No. R-14158**

Dear Mr. Catanach:

Pursuant to Paragraph 10 of Order No. R-14158, Matador Production Company hereby submits the following itemized schedule of estimated costs for its Mallon 27 Federal Com No. 3H Well:

| | Intangible | Tangible |
|------------------|-------------|-----------|
| Drilling | \$2,510,739 | \$611,500 |
| Completion | \$3,704,118 | \$36,000 |
| Production | \$43,600 | \$341,000 |
| Facility | \$120,450 | \$429,000 |
| Total Intangible | \$6,378,907 | |
| Total Tangible | \$1,417,500 | |
| Total | \$7,796,407 | |

Thank you, and please contact me with any questions.

Sincerely, Đana R. Arnold

cc:florene.davidson@state.nm.us